AMENDED IN ASSEMBLY JUNE 15, 2006 AMENDED IN ASSEMBLY MAY 15, 2006 AMENDED IN SENATE FEBRUARY 27, 2006

SENATE BILL

No. 1196

Introduced by Committee on Local Government (Senators Kehoe (Chair), Ackerman, Cox, Machado, and Torlakson)

January 24, 2006

An act to amend Sections 25210.77b, 38743, 38902, 8855, 16271. 26920, 27008, 27009, 39578, 39584, 53232.2, 53234, 53235.1, 54251, 54984.4, 54984.7, 54984.8, *53359.5,* 58950, 61068, 61107, 61116, 65457, 66016, 66022, 66448, and 66499.7 of, and to repeal-Sections 54984.5 and 54984.6 Section 27063 of, the Government Code, to amend Sections 2051, 5471, 33327, 33375, and 40980 of the Health and Safety Code, to amend Sections 20736, 22032, and 22034 of the Public Contract Code, to amend Sections 13215 and 13216 of, to add Section 5784.2 to, and to repeal Chapter 5 (commencing with Section 5790) of Division 5 of, the Public Resources Code, to amend Sections 16475, 16477, and 16478 of, and to repeal Section 16476 of, the Public Utilities Code, to and to amend Section 2215 of the Revenue and Taxation Code, to amend Sections 22280, 31031, 31031.8, 31032.1, 31032.10, 31032.12, 31104, 31104.5, 31104.7, 31104.8, 35470, 50902, 50911, 52402, 55501.5, 55507, 71630, 71632, and 71638 of, to amend and renumber Section 71638.4 of, to add Sections 35470.1, 37210.1, and 37210.2 to, and to repeal Sections 71638.1, 71638.2, and 71638.3 of, the Water Code, and to amend Section 5.2 of Chapter 545 of the Statutes of 1943, Section 27.6 of Chapter 1657 of the Statutes of 1951, Section 3.8 of Chapter 2036 of the Statutes of 1959, Section 3.9 of Chapter 2137 of the Statutes of 1959, Section 76 of Chapter 2146 of the Statutes of 1959, Section 11.5 of Chapter 40 of SB 1196 -2-

the Statutes of 1962, Section 24.1 of Chapter 28 of the Statutes of the First Extraordinary Session of 1962, Sections 134.5, 134.6, and 134.7 of Chapter 209 of the Statutes of 1969, Section 721 of Chapter 527 of the Statutes of 1977, Section 441 of Chapter 926 of the Statutes of 1983, Section 441 of Chapter 688 of the Statutes of 1984, Section 441 of Chapter 689 of the Statutes of 1984, Section 420 of Chapter 1399 of the Statutes of 1987, Section 12 of Chapter 1159 of the Statutes of 1990, and Sections 603 and 604 of Chapter 803 of the Statutes of 1992, relating to local government. relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 1196, as amended, Committee on Local Government. Local Government Omnibus Act of 2006.

(1) Existing law establishes the procedures for relieving from specified tax liability territory that has been detached from a district California Debt and Investment Advisory Commission and requires it to perform specified activities relating to state and local debt issuance and other governmental financing matters. Existing law requires state and local bond issuers to send certain information about their bond issues to the commission by mail.

This bill would also authorize that information to be submitted by any other method approved by the commission.

(2) Existing law defines "special district" for purposes of state subventions to compensate for property tax revenue reductions.

This bill—would correct an obsolete cross-reference in those procedures would correct an incorrect cross-reference in that definition.

(3) Existing law requires the county auditor to perform, at least quarterly, a review of the treasurer's statement of assets in the county treasury in accordance with the Statements on Standards for Accounting and Review Standards issued by the American Institute of Certified Public Accountants.

This bill would instead require the county auditor to perform, or cause to be performed, a review of the treasurer's statement of assets in the county treasury in accordance with the appropriate professional standards, as determined by the county auditor, and would require each county to fund and allocate the cost of the review.

(4) Existing law prohibits the county treasurer from receiving money into the treasury or for deposit unless it is accompanied by the

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certificate of the auditor, but permits the auditor and the treasurer to establish alternate control procedures. Existing law requires the treasurer to give a receipt to any person who pays money to the treasurer and requires the receipt to be deposited with the auditor who then gives a receipt to the person paying the money. Existing law requires county treasurers to give county supervisors a monthly report of funds received and disbursed.

This bill would require the alternate control procedures to permit the treasurer to receive or deposit money without the certificate of the auditor, and would require only the treasurer to give a receipt to each person who deposits money into the county treasury. The bill would repeal the requirement of the monthly report by the county treasurer to the county supervisors.

(5) Existing law makes references to city assessors although county assessors now assess property values.

This bill would delete those obsolete references.

(2)

(6) Existing law requires local officials, as designated by the legislative body of a local agency, to take ethics training courses.

This bill instead would specify that the local officials are to be designated by the governing body of a local agency and would make a technical change.

(3)

(7) Existing law limits local official's compensation and imposes certain requirements on their claims for reimbursing expenses.

This bill would expressly provide that a local official may pay additional costs above the allowed limits, at his or her expense.

(4)

(8) Existing law requires each local agency official in local agency service as of January 1, 2006, except for those officials whose term of office ends before January 1, 2007, to receive specified ethics training.

This bill would revise that exception to include local officials whose term of office ends before January 9, 2007.

(5)

(9) Existing law requires local officials to report specified information concerning the sale of Mello-Roos Community Facilities Act bonds to the California Debt and Investment Advisory Commission by mail.

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This bill would specify additional information to be included in the reports that may also be provided by any other method approved by the commission.

(10) Existing law, the Community Services District Law cross-references laws governing the reimbursements of local government officials except for travel costs.

This bill would cross-reference those provisions governing reimbursement of travel costs.

(6)

(11) The Planning and Zoning Law specifies the requirements for adopting and implementing specific plans.

This bill would delete an obsolete cross-reference in that law to a provision of the California Environmental Quality Act relating to environmental impacts for residential development projects and would declare that this is not a substantive change in that law.

(7)

(12) The Uniform Standby Charge Procedures Act establishes procedures for any local agency authorized by law to provide water, sewer, or water and sewer service, and authorized to collect standby or availability charges or assessments in connection with that service, to fix, give notice of, and collect those charges. Article XIII D of the California Constitution and implementing statutes limit local officials' powers to levy benefit assessments.

This bill would amend that act to conform its provisions to the statutes implementing Article XIII D. This bill would amend provisions of various acts that authorize counties, cities, and special districts to impose standby or availability charges on assessments to conform to the revised Uniform Standby Charge Procedures Act.

(8)

(13) The Mitigation Fee Act specifies how local governmental officials impose fees to recover the costs of processing applications for the costs of processing applications for development projects.

This bill would delete an obsolete cross-reference to a fee that has been consolidated with other fees and revise another cross-reference.

(9)

(14) The Subdivision Map Act regulates how counties and cities approve the conversion of large landholdings into separate parcels. In those procedures, the Legislature generally employed the term "local agency" to refer to counties and cities.

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This bill would conform a provision of that act concerning the posting of security by subdividers to delete the term "public entity" and instead use "local agency."

(10)

(15) Under the Subdivision Map Act, where a parcel map is required, the parcel map, if not based on a field survey conforming to the Land Surveyors Act, may be based on the compilation of recorded or filed data when sufficient survey information exists on filed maps to locate and retrace the exterior boundary lines of the parcel map.

This bill instead would require that compilation be from recorded or filed data when sufficient recorded or filed survey monumentation exists to enable the retracement of exterior boundary lines of the parcel map and the establishment of the interior parcel or lot lines of the parcel map.

(11)

(16) Existing law limits local officials' compensation and imposes certain restrictions on claims for reimbursement.

This bill would make an additional cross-reference to that law in the Mosquito and Vector Control District Law.

(12)

(17) Existing law requires that redevelopment officials send specified information concerning a preliminary redevelopment plan to the county auditor, county assessor, and county tax collector.

This bill would revise those provisions to require the information to be sent to the county auditor and county assessor.

(18) Existing law governing the composition of the Sacramento Metropolitan Air Quality Management District's Board of Directors requires city representatives to be appointed by the city selection committee.

This bill, instead, would require generally that the city representatives shall be selected by the city council of the city that they represent, thereby imposing a state-mandated local program.

(13)

(19) The Public Contract Code provides procedures that local agencies are required to follow when they build public works projects. When local agencies voluntarily use the Uniform Public Construction Cost Accounting Act, they may use their own employees for projects worth \$25,000 or less, while projects worth \$100,000 or less require informal bids and those worth more than \$100,000 require formal bids. With respect to projects worth less than \$100,000, if all the

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informal bids received are in excess of \$100,000, the governing board of the public agency may adopt a resolution by a ½ vote to award the contract at \$110,000 to the lowest responsible bidder, as specified.

This bill would increase those limits from \$25,000 to \$30,000, from \$100,000 to \$125,000, and from \$110,000 to \$137,500, respectively.

(20) The Recreation and Park District Law was recently repealed and reenacted.

This bill would repeal 2 obsolete provisions of that law that were not repealed at that time. The bill would also allow a consolidated recreation and park district to have a temporarily larger governing board of 7, 9, or 11 members subject to the approval of the local agency formation commission.

(15)

(21) Existing law defines special district for purposes of reimbursement of costs mandated by the state in terms of its statutory authority to levy a property tax rate.

This bill would additionally specify, for those purposes, that a special district is also one that is statutorily authorized to receive an allocation of property tax revenues.

(16)

(22) The bill would correct various drafting errors relating to local government.

(17)

(23) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) This act shall be known and may be cited as 2 the Local Government Omnibus Act of 2006.
- (b) The Legislature finds and declares that Californians want their governments to be run efficiently and economically and that
- 5 public officials should avoid waste and duplication whenever

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possible. The Legislature further finds and declares that it desires to control its own costs by reducing the number of separate bills. Therefore, it is the intent of the Legislature in enacting this act to combine several minor, noncontroversial statutory changes relating to local government into a single measure.

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SEC. 1.1. Section 25210.77b of the Government Code is amended to read:

25210.77b. (a) A county may pursuant to the notice, protest, and hearing procedures in Section 53753, fix, on or before the first day of July in each calendar year, a water or sewer standby or immediate availability charge on all land within a county service area to which water or sewers are made available for any purpose by the county whether the water or sewers are actually used or not, except that the charge shall not apply to lands permanently dedicated exclusively to the public transportation of persons or property. The board of supervisors of the county which fixes the water standby charge may establish schedules varying the charges in different months and in different localities within a county service area depending upon factors such as the uses to which the land is put, the cost of transporting the water to the land, the degree of availability or quantity of use of the water to the affected lands. The board may not, however, fix a charge in excess of thirty dollars (\$30) for each acre of land, or thirty dollars (\$30) for each parcel of land of less than one acre, for either water or sewer standby charges, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5.

If a person for more than one year obtains substantially all of his or her water requirements for the contiguous parcels of land which he or she occupies from rainfall, springs, streams, lakes, rivers, or wells, and if the person's primary economic activity on the land is the commercial extraction or processing of minerals, the land shall be exempt from any water standby or availability charges.

(b) Notwithstanding any other provision of this article, San Luis Obispo County may, pursuant to the notice, protest, and hearing procedures in Section 53753, fix, on or before the first day of July in each calendar year, a sewer standby or immediate availability charge not to exceed sixty dollars (\$60) for each acre

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of land or for each parcel of land of less than one acre, on all land 2 within a county service area to which sewers are made available 3 for any purpose by the county whether the sewers are actually 4 used or not, except that the charge shall not apply to lands 5 permanently dedicated exclusively to the public transportation of 6 persons or property. The Board of Supervisors of San Luis 7 Obispo County in so fixing the sewer standby charge may 8 establish schedules varying the charges in different months and 9 in different localities within the county service area depending 10 upon factors such as the uses to which the land is put, the cost of 11 transporting the sewage from the land, and the degree of the 12 availability of sewage collection and treatment to the affected 13 lands.

(c) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the county board of supervisors may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 1.3. Section 38743 of the Government Code is amended to read:

38743. A city may, pursuant to the notice, protest, and hearing procedures in Section 53753, fix, on or before the first day of July in each calendar year, an annual water service standby or immediate availability charge to be applied on an area or frontage or parcel basis, or a combination thereof, within the city to be charged to such areas to which water service is made available for any purpose by the city, whether the water service is actually used or not. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the city council may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the city council shall comply with the notice, protest, and hearing procedures in Section 53753. The city council of a city which fixes such a charge may establish schedules varying such charge according to the land uses and the degree of availability or quantity of use of such water service to the affected lands, and may restrict such charge to lands lying within one or more zones or areas of benefits established within such city. The council may not, however, fix a

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monthly charge in excess of ten dollars (\$10) per acre, either on an area or frontage basis, or in excess of five dollars (\$5) for a parcel or frontage of less than an acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5.

A city may collect the standby or availability charge by billing the charged lands on a monthly or fiscal year basis.

A city may collect the standby or availability charge as a part of the annual general county tax bill provided the city furnishes, on or before August 10, in writing to the board of supervisors and to the county auditor the description of each parcel for which a charge is to be billed together with the amount of the charge applicable to each parcel. The parcel description may be the parcel number assigned by the county assessor to the parcel.

If the city collects standby charges through the county general tax bill, the amount of the standby charge and any applicable penalty shall be stated on the tax bill separately from all other taxes, if practicable.

SEC. 1.5. Section 38902 of the Government Code is amended to read:

38902. A city may, pursuant to the notice, protest, and hearing procedures in Section 53753, fix an annual sewer service standby or immediate availability charge to be applied on an area or frontage or parcel basis, or a combination thereof, within the city to be charged to such areas to which sewer service is made available for any purpose by the city, whether the sewer service is actually used or not. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the city council may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the city council shall comply with the notice, protest, and hearing procedures in Section 53753. The city may establish schedules varying such charge according to the land uses and the degree of availability or quantity of use of such sewer service to the affected lands, and may restrict such charge to lands lying within one or more zones or areas of benefits established within such city.

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 The city may collect the standby or availability charge by billing the charged lands on a fiscal year basis or by other means available.

The city may collect the standby or availability charge as a part of the annual general county tax bill provided the city furnishes in writing to the board of supervisors and to the county auditor the description of each parcel for which a charge is to be billed together with the amount of the charge applicable to each parcel in sufficient time to meet the schedule established by the county for inclusion of such items on the county general tax bill. The parcel description may be the parcel number assigned by the county assessor to the parcel. In such case, the standby or availability charge shall become a lien against the parcel of land to which it is charged in the same manner as the county general taxes. Penalties may be collected for late payment of the standby or availability charge or the amount thereof unpaid in the manner and at the same rates as that applicable for late payment or the amount thereof unpaid of county general taxes.

If the city collects standby charges through the county general tax bill, the amount of the standby charge and any applicable penalty shall be stated on the tax bill separately from all other taxes, if practicable.

- SEC. 2. Section 8855 of the Government Code is amended to read:
- 8855. (a) There is created the California Debt and Investment Advisory Commission, consisting of nine members, selected as follows:
 - (1) The Treasurer, or his or her designee.
- (2) The Governor or the Director of Finance.
 - (3) The Controller, or his or her designee.
- (4) Two local government finance officers appointed by the Treasurer, one each from among persons employed by a county and by a city or a city and county of this state, experienced in the issuance and sale of municipal bonds and nominated by associations affiliated with these agencies.
- (5) Two Members of the Assembly appointed by the Speaker of the Assembly.
- 38 (6) Two Members of the Senate appointed by the Senate 39 Committee on Rules.

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(b) (1) The term of office of an appointed member is four years, but appointed members serve at the pleasure of the appointing power. In case of a vacancy for any cause, the appointing power shall make an appointment to become effective immediately for the unexpired term.

- (2) Any legislators appointed to the commission shall meet with and participate in the activities of the commission to the extent that the participation is not incompatible with their respective positions as Members of the Legislature. For purposes of this chapter, the Members of the Legislature shall constitute a joint interim legislative committee on the subject of this chapter.
- (c) The Treasurer shall serve as chairperson of the commission and shall preside at meetings of the commission.
- (d) Appointed members of the commission shall not receive a salary, but shall be entitled to a per diem allowance of fifty dollars (\$50) for each day's attendance at a meeting of the commission not to exceed three hundred dollars (\$300) in any month, and reimbursement for expenses incurred in the performance of their duties under this chapter, including travel and other necessary expenses.
- (e) The commission may adopt bylaws for the regulation of its affairs and the conduct of its business.
- (f) The commission shall meet on the call of the chairperson, at the request of a majority of the members, or at the request of the Governor. A majority of all nonlegislative members of the commission constitutes a quorum for the transaction of business.
- (g) The office of the Treasurer shall furnish all administrative and clerical assistance required by the commission.
 - (h) The commission shall do all of the following:
- (1) Assist all state financing authorities and commissions in carrying out their responsibilities as prescribed by law, including assistance with respect to federal legislation pending in Congress.
- (2) Upon request of any state or local government units, to assist them in the planning, preparation, marketing, and sale of new debt issues to reduce cost and to assist in protecting the issuer's credit.
- (3) Collect, maintain, and provide comprehensive information on all state and all local debt authorization and issuance, and serve as a statistical clearinghouse for all state and local debt

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39 40 issues. This information shall be readily available upon request by any public official or any member of the public.

- (4) Maintain contact with state and municipal bond issuers, underwriters, credit rating agencies, investors, and others to improve the market for state and local government debt issues.
- (5) Undertake or commission studies on methods to reduce the costs and improve credit ratings of state and local issues.
- (6) Recommend changes in state laws and local practices to improve the sale and servicing of state and local debts.
- (7) Establish a continuing education program for local officials having direct or supervisory responsibility over municipal investments, and debt issuance. The commission shall undertake these and any other activities necessary to disclose investment and debt issuance practices and strategies that may be conducive for oversight purposes.
- (8) Collect, maintain, and provide information on local agency investments of public funds for local agency investment.
- (9) Publish a monthly newsletter describing and evaluating the operations of the commission during the preceding month.
- (i) The city, county, or city and county investor of any public funds, no later than 60 days after the close of the second and fourth quarters of each calendar year, shall provide the quarterly reports required pursuant to Section 53646 and, no later than 60 days after the close of the second quarter of each calendar year and 60 days after the subsequent amendment thereto, provide the statement of investment policy required pursuant to Section 53646, to the commission by mail, postage prepaid, or by any other method approved by the commission. The commission collect these reports to further its educational responsibilities as described under subdivision (e). Nothing in this section shall be construed to create additional oversight responsibility for the commission or any of its members. Sole responsibility for control, oversight, and accountability of local investment decisions shall remain with local officials. The commission shall not be considered to have any fiduciary duty with respect to any local agency income report received under this subdivision. In addition, the commission shall not have any legal liability with respect to these investments.
- (j) The commission, no later than May 1, 2006, shall report to the Legislature describing its activities since the inception of the

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local agency investment reporting program regarding the collection and maintenance of information on local agency investment reporting practices and how the commission uses that information to fulfill its statutory goals.

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- (k) The issuer of any proposed new debt issue of state or local government shall, no later than 30 days prior to the sale of any debt issue at public or private sale, give written notice of the proposed sale to the commission, by mail, postage prepaid, or by any other method approved by the commission. This subdivision shall also apply to any nonprofit public benefit corporation incorporated for the purpose of acquiring student loans. The notice shall include the proposed sale date, the name of the issuer, the type of debt issue, and the estimated principal amount of the debt. Failure to give this notice shall not affect the validity of the sale.
- (*l*) The issuer of any new debt issue of state or local government, not later than 45 days after the signing of the bond purchase contract in a negotiated or private financing, or after the acceptance of a bid in a competitive offering, shall submit a report of final sale to the commission by mail, postage prepaid, or by any other method approved by the commission. A copy of the final official statement for the issue shall accompany the report of final sale. The commission may require information to be submitted in the report of final sale that it considers appropriate.
- SEC. 3. Section 16271 of the Government Code is amended to read:

16271. As used in this chapter:

- (a) "Governing body" means the board of supervisors except that in the case of a subsidiary district "governing body" means the city council, and in the case of a multi-county district "governing body" means the governing body of the multi-county district itself.
- (b) "Local fiscal officer" means the county auditor for all special districts within the county, except that in the case of a subsidiary district "local fiscal officer" means the city treasurer; and in the case of a multi-county district "local fiscal officer" means the treasurer of the district.
- 39 (c) "Multi-county district" means any special district which 40 includes territory in more than one county.

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 (d) "Special district" means any agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area formed for the purpose of designating an area within which a property tax rate will be levied to pay for a service or improvement benefitting that area.

County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code; areas receiving county fire protection services pursuant to Section 25643 of the Government Code; and county road districts established pursuant to Chapter 7 (commencing with Section—550) 1550) of Division 2 of the Streets and Highways Code, shall be considered "special districts" for all purposes of this chapter.

"Special district" does not include a city, a county, a school district or a community college district. "Special district" does not include any agency which is not authorized to levy a property tax rate, except the Bay Area Pollution Control District.

- (e) "Subsidiary district" means a special district in which the city council of a city has been empowered to act as ex officio members of the board of directors of such district and either:
- (1) The entire territory of such district is included within the boundaries of a city, or
- (2) A portion or portions of the territory of such district is included within the boundaries of a city and such portion or portions:
- (i) Represent 70 percent or more of the area of taxable or assessable land within such district, as shown on the last equalized assessment roll; and
- (ii) Contains 70 percent or more of the number of registered voters who reside within the district as shown on the voters' registrar in the office of the county clerk or registrar of voters.
- (f) "General fund reserves" means the general fund reserve balance as of July 1, 1978, that is not legally obligated. General fund reserves shall not include:
- (1) Noncash assets such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

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(2) Any amounts for self-insurance, for contractual obligations, or for reserves established by law or a legislative body of the county, city, or special district, as the case may be.

(3) Any amounts restricted by law or court order.

- (4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the governing body.
- (g) For the purpose of this chapter, the amount of property tax levied pursuant to existing law, for the purpose of making annual payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, shall be excluded from all calculations.
- SEC. 4. Section 26920 of the Government Code is amended to read:
- 26920. (a) At least once in each quarter, the county auditor shall perform, or cause to be performed, a review of the treasurer's statement of assets in the county treasury. Each county shall fund and allocate the cost of the review in accordance with that county's established budgetary practice. The auditor's review shall be accomplished in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants appropriate professional standards, as determined by the county auditor. The treasurer shall prepare a statement showing the amount and type of assets in the county treasury as of the date of the review. The review shall include:
 - (1) Counting cash in the county treasury.
- (2) Verifying that the records of the county treasurer and auditor are reconciled pursuant to Section 26905.
- (3) A report to the board of supervisors issued in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants appropriate professional standards, as determined by the county auditor.
- (b) The auditor shall, at least annually, perform or cause to be performed an audit of the assets in the county treasury and express an opinion whether the treasurer's statement of assets is presented fairly and in accordance with generally accepted accounting principles. The audit report shall be addressed to the board of supervisors. The review required by subdivision (a)

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need not be performed for the period when an audit is conducted
in accordance with this subdivision.

- SEC. 5. Section 27008 of the Government Code is amended to read:
- 27008. (a) The treasurer shall not receive money into the treasury or for deposit with him or her as treasurer, unless it is accompanied by the certificate of the auditor.
- (b) Notwithstanding subdivision (a), the auditor and treasurer may establish alternate control procedures for the treasurer to receive or deposit money without the certificate of the auditor.
- SEC. 6. Section 27009 of the Government Code is amended to read:
- 27009. When any money is paid to the treasurer he shall give a receipt to the person paying it. The receipt shall be deposited forthwith with the county auditor, who shall charge the treasurer therewith and give the person paying the money a receipt The treasurer shall give a receipt to each person who deposits money into the county treasury.
 - SEC. 7. Section 27063 of the Government Code is repealed.
- 27063. Not later than the 25th day of each month, the treasurer, or, if the auditor has a written agreement with the treasurer, the auditor, shall file with the board of supervisors a detailed report of all money received and disbursed by him or her during the preceding report period which shall be no less frequent than monthly, so that the receipts into the treasury and the amounts of disbursements for the period will distinctly appear. The report shall be filed and preserved by the clerk of the board.
- 29 SEC. 8. Section 39578 of the Government Code is amended to 30 read:
 - 39578. Except as provided in Section 39577, after confirmation of the report, a copy shall be given to the city assessor and the tax collector county auditor, who shall add the amount of the assessment to the next regular tax bill levied against the parcel for municipal purposes.
- 36 SEC. 9. Section 39584 of the Government Code is amended to read:
 - 39584. The superintendent may receive the amount due on the abatement cost and issue receipts at any time after the confirmation of the report and until 10 days before a copy is

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given to the city assessor and tax collector county auditor, or, where a certified copy is filed with the county auditor, until August 1st following the confirmation of the report.

SEC. 1.7.

SEC. 10. Section 53232.2 of the Government Code is amended to read:

- 53232.2. (a) When reimbursement is otherwise authorized by statute, a local agency may reimburse members of a legislative body for actual and necessary expenses incurred in the performance of official duties, including, but not limited to, activities described in Article 2.4 (commencing with Section 53234).
- (b) If a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a member of the legislative body to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses.
- (c) The policy described in subdivision (b) may also specify the reasonable reimbursement rates for travel, meals, and lodging, and other actual and necessary expenses. If it does not, the local agency shall use the Internal Revenue Service rates for reimbursement of travel, meals, lodging, and other actual and necessary expenses as established in Publication 463, or any successor publication.
- (d) If the lodging is in connection with a conference or organized educational activity conducted in compliance with subdivision (c) of Section 54952.2, including, but not limited to, ethics training required by Article 2.4 (commencing with Section 53234), lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of a legislative body at the time of booking. If the group rate is not available, the member of a legislative body shall use comparable lodging that is consistent with the requirements of subdivisions (c) and (e).
- (e) Members of the legislative body shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.

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(f) All expenses that do not fall within the adopted travel reimbursement policy or the Internal Revenue Service reimbursable rates as provided in subdivision (c), shall be approved by the governing body, in a public meeting before the expense is incurred, except as provided in subdivision (d).

- (g) If a member of a legislative body chooses to incur additional costs that are above the rates established pursuant to this section and those costs have not been approved pursuant to subdivision (f), then the member of a legislative body may do so at his or her own expense.
- (h) This section shall not supersede any other laws establishing reimbursement rates for local agencies.

SEC. 2.

- SEC. 11. Section 53234 of the Government Code is amended to read:
- 53234. For the purposes of this article, the following terms have the following meanings:
- (a) "Legislative body" has the same meaning as specified in Section 54952.
- (b) "Local agency" means a city, county, city and county, charter city, charter county, charter city and county, or special district.
 - (c) "Local agency official" means the following:
- (1) Any member of a local agency legislative body or any elected local agency official who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.
- (2) Any employee designated by a local agency governing body to receive the training specified under this article.
 - (d) "Ethics laws" include, but are not limited to, the following:
- (1) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
- (2) Laws relating to claiming perquisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.

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- (3) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
- (4) Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

SEC. 2.5.

- SEC. 12. Section 53235.1 of the Government Code is amended to read:
- 53235.1. (a) Each local agency official in local agency service as of January 1, 2006, except for officials whose term of office ends before January 9, 2007, shall receive the training required by subdivision (a) of Section 53235 before January 1, 2007. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.
- (b) Each local agency official who commences service with a local agency on or after January 1, 2006, shall receive the training required by subdivision (a) of Section 53235 no later than one year from the first day of service with the local agency. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.
- (c) A local agency official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.
- SEC. 13. Section 53359.5 of the Government Code is amended to read:
- 53359.5. (a) The legislative body shall, no later than 30 days prior to the sale of any bonds pursuant to this article, give written notice of the proposed sale to the California Debt and Investment Advisory Commission by mail, postage prepaid, *or by any other method approved by the California Debt and Investment Advisory Commission*, as required by Chapter 11.5 (commencing with Section 8855) of Division 1 of Title 2.
- 39 (b) On and after January 1, 1993, each year after the sale of 40 any bonds, including refunding bonds, pursuant to this article,

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- 1 and until the final maturity of the bonds, the legislative body
- 2 shall, not later than October 30 of each year, supply the following
- 3 information to the California Debt and Investment Advisory
- 4 Commission by mail, postage prepaid, or by any other method
- 5 approved by the California Debt and Investment Advisory 6 Commission:
- 7 (1) Issuer name.
- 8 (2) Community facilities district number or name.
 - (3) Name, title, and series of the bond issue.
- 10 (4) Credit rating and name of the rating agency.
- 11 (5) Date of the bond issue and the original principal amount.
- 12 (6) Reserve fund minimum balance required.
- 13 (1)

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- 14 (7) The principal amount of bonds outstanding.
- 15 (2)
- 16 (8) The balance in the bond reserve fund.
- 17 (3)
- 18 (9) The balance in the capitalized interest fund, if any.
- 19 (4)

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- (10) The number of parcels that are delinquent with respect to their special tax payments, the amount that each parcel is delinquent, the total amount of special taxes due on the delinquent parcels, the length of time that each has been delinquent, and when foreclosure was commenced for each delinquent parcel, the total number of foreclosure parcels for each date specified, and the total amount of tax due on the foreclosure parcels for each date specified.
- 28 (5)
- 29 (11) The balance in any construction funds.
- 30 (6)
- 31 (12) The assessed value of all parcels subject to special tax to 32 repay the bonds as shown on the most recent equalized roll, the 33 date of assessed value reported, and the source of the 34 information.
- 35 (13) The total amount of special taxes due, the total amount of 36 unpaid special taxes, and whether or not the special taxes are 37 paid under the county's Teeter Plan (Chapter 6.6 (commencing 38 with Section 54773)).
- 39 (14) The reason and the date, if applicable, that the issue was 40 retired.

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(15) Contact information for the party providing the information.

- (c) In addition, with respect to any bonds sold pursuant to this article, regardless when sold, and until the final maturity of the bonds, the legislative body shall notify the California Debt and Investment Advisory Commission by mail, postage prepaid, or by any other method approved by the California Debt and Investment Advisory Commission, within 10 days if any of the following events occur:
- (1) The local agency or its trustee fails to pay principal and interest due on any scheduled payment date.
- (2) Funds are withdrawn from a reserve fund to pay principal and interest on the bonds beyond levels set by the California Debt and Investment Advisory Commission.
- (d) Neither the legislative body nor the California Debt and Investment Advisory Commission shall be liable for any inadvertent error in reporting the information required by this section.
- SEC. 2.7. Section 54251 of the Government Code is amended to read:
- 54251. (a) A local agency may, pursuant to this article, authorize, grant, or enter into one or more exclusive or nonexclusive franchise, license, or service agreements with a privatizer for the design, ownership, financing, construction, maintenance, or operation of a privatization project.
- (b) A local agency may enact any measures necessary and convenient to carry out this article.
- (c) Notwithstanding—Section—25210.77b, within a county service area, a county may, pursuant to the notice, protest, and hearing procedures in Section 53753, fix a charge in excess of ten dollars (\$10) for each acre of land, or ten dollars (\$10) for each parcel of land of less than one acre for sewer standby charges subject to a privatization project pursuant to this article. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the county may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the county—shall—comply—with—the—notice,—protest,—and—hearing procedures in Section 53753.

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SEC. 3. Section 54984.4 of the Government Code is amended to read:

- 54984.4. (a) The local agency shall comply with the notice, protest, and hearing procedures in Section 53753.
- (b) In the absence of a majority protest, as defined in subdivision (e) of Section 53753, the governing body of the local agency may determine to fix the charges.
- SEC. 4. Section 54984.5 of the Government Code is repealed.
 - SEC. 5. Section 54984.6 of the Government Code is repealed.
- SEC. 6. Section 54984.7 of the Government Code is amended to read:
 - 54984.7. If the procedures set forth in this chapter at the time a charge was established were followed, the governing body may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the governing body shall comply with the notice, protest, and hearing procedures in Section 53753.
 - SEC. 7. Section 54984.8 of the Government Code is amended to read:
 - 54984.8. After the making of a final determination pursuant to Sections 54984.4 and 54984.7, the local agency shall cause the charge to be collected at the same time, and in the same manner, as is available to it under applicable law.
 - SEC. 8.
 - SEC. 14. Section 58950 of the Government Code is amended to read:
 - 58950. If territory has been detached from a district and that detached territory is subject to terms and conditions imposed by the local agency formation commission pursuant to Section 56886 and those terms and conditions require that the detached territory continue to be taxed for the payment of principal and interest on outstanding bonds of the district, the governing body of the district from which the territory was detached may absolve and relieve the detached territory of its annual tax liability as follows:
 - (a) The district board shall, by resolution, declare its intention to relieve the detached territory of its annual tax liability for payment of principal and interest on outstanding district bonds. The resolution shall describe the detached territory, specify the annual liability the territory will be relieved of, state the reason

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or reasons why the detached territory should be relieved, and fix a time, date, and place for a public hearing on the proposed relief of liability.

- (b) The district board shall cause notice of the hearing to be published pursuant to Section 6066 in a newspaper of general circulation published in the territory of the district and the detached territory. The notice shall contain all the information specified in subdivision (a), and in lieu of notice the district board may cause a copy of the resolution required in subdivision (a) to be published.
- (c) At the time, date, and place stated in the notice, the district board shall hear and consider all objections or protests to relieving the detached territory of annual liability for payment of principal and interest on outstanding district bonds. The hearing may be continued from time to time. Upon conclusion of the hearing, the district board shall determine by resolution, whether or not the detached territory should be relieved and absolved of any future annual tax liability for the outstanding bonds of the district.
- (d) If the district board determines that the detached territory should be relieved of annual tax liability, it shall cause a copy of its resolution to be filed pursuant to Section 54902 with the Board of Equalization and the county assessor of the county in which the territory is located. The detached territory shall be relieved and absolved of the annual tax liability for outstanding district bonds imposed by the local agency formation commission in the year next succeeding adoption of the resolution when assessments or taxes are to be levied for payment of the principal and interest on the bonds.

Nothing in this section shall be construed as in any way limiting the power of a bondholder to enforce his or her contractual rights and nothing in this section shall affect the ultimate liability of that detached territory for the bonded indebtedness of the district in case of default. This section is intended to provide a means of relieving territory detached from a district from annual assessments for the principal and interest on bonded indebtedness when that territory is no longer receiving the services for which the bonded indebtedness was incurred.

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SEC. 8.5.

 SEC. 15. Section 61068 of the Government Code is amended to read:

61068. A board of directors may authorize its members and the employees of the district to attend professional or vocational meetings and conferences. A board of directors may reimburse its members and the employees of the district for their documented, actual, and necessary traveling and incidental expenses while on official business. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3.

SEC. 9.

SEC. 16. Section 61107 of the Government Code is amended to read:

61107. (a) If a board of directors desires to divest itself of a power that is authorized pursuant to this chapter and if the termination of that power would require another public agency to provide a new or higher level of services or facilities, the district shall first receive the approval of the local agency formation commission. To the extent feasible, the local agency formation commission shall proceed pursuant to Article 1.5 (commencing with Section 56824.10) of Chapter 5 of Part 3 of Division 3. After receiving the approval of the local agency formation commission, the board of directors may, by ordinance, divest itself of that power.

- (b) Notwithstanding subdivision (a) of Section 56824.14, the local agency formation commission shall not, after a public hearing called and held for that purpose pursuant to subdivisions (b) and (c) of Section 56824.14, approve a district's proposal to exercise a latent power if the local agency formation commission determines that another local agency already provides substantially similar services or facilities to the territory where the district proposes to exercise that latent power.
- (c) If a board of directors desires to divest itself of a power that is authorized pursuant to this chapter and if the termination of that power would not require another public agency to provide a new or higher level of services or facilities, the board of directors may, by ordinance, divest itself of that power.

38 SEC. 9.5.

39 SEC. 17. Section 61116 of the Government Code is amended 40 to read:

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61116. (a) A district may accept any revenue, money, grants, goods, or services from any federal, state, regional, or local agency or from any person for any lawful purpose of the district.

(b) In addition to any other existing authority, a district may borrow money and incur indebtedness pursuant to Article 7 (commencing with Section 53820), Article 7.5 (commencing with Section 53840), Article 7.6 (commencing with Section 53850), and Article 7.7 (commencing with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title 5.

SEC. 10.

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- SEC. 18. Section 65457 of the Government Code is amended to read:
- 65457. (a) Any residential development project, including any subdivision, or any zoning change that is undertaken to implement and is consistent with a specific plan for which an environmental impact report has been certified after January 1, 1980, is exempt from the requirements of Division 13 (commencing with Section 21000) of the Public Resources Code. However, if after adoption of the specific plan, an event as specified in Section 21166 of the Public Resources Code occurs, the exemption provided by this subdivision does not apply unless and until a supplemental environmental impact report for the specific plan is prepared and certified in accordance with the provisions of Division 13 (commencing with Section 21000) of the Public Resources Code. After a supplemental environmental impact report is certified, the exemption specified in this subdivision applies to projects undertaken pursuant to the specific plan.
- (b) An action or proceeding alleging that a public agency has approved a project pursuant to a specific plan without having previously certified a supplemental environmental impact report for the specific plan, where required by subdivision (a), shall be commenced within 30 days of the public agency's decision to carry out or approve the project.

SEC. 11.

- 36 SEC. 19. Section 66016 of the Government Code is amended 37 to read:
- 38 66016. (a) Prior to levying a new fee or service charge, or 39 prior to approving an increase in an existing fee or service 40 charge, a local agency shall hold at least one open and public

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meeting, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and 3 place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request 7 with the local agency for mailed notice of the meeting on new or 8 increased fees or service charges. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for 10 mailed notices shall be filed on or before April 1 of each year. 11 The legislative body may establish a reasonable annual charge 12 13 for sending notices based on the estimated cost of providing the 14 service. At least 10 days prior to the meeting, the local agency 15 shall make available to the public data indicating the amount of 16 cost, or estimated cost, required to provide the service for which 17 the fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund 18 19 revenues. Unless there has been voter approval, as prescribed by Section 66013 or 66014, no local agency shall levy a new fee or 20 21 service charge or increase an existing fee or service charge to an 22 amount which exceeds the estimated amount required to provide 23 the service for which the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of 24 25 actual cost, those revenues shall be used to reduce the fee or 26 service charge creating the excess. 27

- (b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution. The legislative body of a local agency shall not delegate the authority to adopt a new fee or service charge, or to increase a fee or service charge.
- (c) Any costs incurred by a local agency in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the services which were the subject of the meeting.
- 37 (d) This section shall apply only to fees and charges as 38 described in Sections 51287, 56383, 65104, 65456, 65584.1, 39 65863.7, 65909.5, 66013, 66014, and 66451.2 of this code, 40 Sections 17951, 19132.3, and 19852 of the Health and Safety

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Code. Section 41901 of the Public Resources Code, and Section 2 21671.5 of the Public Utilities Code.

- (e) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion levying a fee or service charge subject to this section shall be brought pursuant to Section 66022.
- SEC. 20. Section 66022 of the Government Code is amended to read:
- 66022. (a) Any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge, or modifying or amending an existing fee or service charge, adopted by a local agency, as defined in Section 66000, shall be commenced within 120 days of the effective date of the ordinance, resolution, or motion.

If an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge, and the automatic adjustment results in an increase in the amount of a fee or service charge, any action or proceeding to attack, review, set aside, void, or annul the increase shall be commenced within 120 days of the effective date of the increase.

- (b) Any action by a local agency or interested person under this section shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.
- (c) This section shall apply only to fees, capacity charges, and service charges described in and subject to Sections 66013-and 66014, 66014, and 66016.

SEC. 11.5.

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SEC. 21. Section 66448 of the Government Code is amended to read:

66448. In all cases where a parcel map is required, the parcel map shall be based upon a field survey made in conformity with the Land Surveyors Act when required by local ordinance, or, in absence of that requirement, shall be based either upon a field survey made in conformity with the Land Surveyors Act or be compiled from recorded or filed data when sufficient recorded or filed survey monumentation presently exists to enable the retracement of the exterior boundary lines of the parcel map and

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the establishment of the interior parcel or lot lines of the parcel map.

SEC. 12.

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4 SEC. 22. Section 66499.7 of the Government Code is amended to read:

66499.7. The security furnished by the subdivider shall be released in whole or in part in the following manner:

- (a) Security given for faithful performance of any act or agreement shall be released upon the performance of the act or final completion and acceptance of the required work. The legislative body may provide for the partial release of the security upon the partial performance of the act or the acceptance of the work as it progresses, consistent with the provisions of this section. The security may be a surety bond, a cash deposit, a letter of credit, escrow account, or other form of performance guarantee required as security by the legislative body that meets the requirements as acceptable security pursuant to law. If the security furnished by the subdivider is a documentary evidence of security such as a surety bond or a letter of credit, the legislative body shall release the documentary evidence and return the original to the issuer upon performance of the act or final completion and acceptance of the required work. In the event that the legislative body is unable to return the original documentary evidence to the issuer, the security shall be released by written notice sent by certified mail to the subdivider and issuer of the documentary evidence within 30 days of the acceptance of the work. The written notice shall contain a statement that the work for which the security was furnished has been performed or completed and accepted by the legislative body, a description of the project subject to the documentary evidence and the notarized signature of the authorized representative of the legislative body.
- (b) At the time that the subdivider believes that the obligation to perform the work for which security was required is complete, the subdivider may notify the local agency in writing of the completed work, including a list of work completed. Upon receipt of the written notice, the local agency shall have 45 days to review and comment or approve the completion of the required work. If the local agency does not agree that all work has been completed in accordance with the plans and

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specifications for the improvements, it shall supply a list of all remaining work to be completed.

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- (c) Within 45 days of receipt of the list of remaining work from the local agency, the subdivider may then provide cost estimates for all remaining work for review and approval by the local agency. Upon receipt of the cost estimates, the local agency shall then have 45 days to review, comment, and approve, modify, or disapprove those cost estimates. No local agency shall be required to engage in this process of partial release more than once between the start of work and completion and acceptance of all work; however, nothing in this section prohibits a local agency from allowing for a partial release as it otherwise deems appropriate.
- (d) If the local agency approves the cost estimate, the local agency shall release all performance security except for security in an amount up to 200 percent of the cost estimate of the remaining work. The process allowing for a partial release of performance security shall occur when the cost estimate of the remaining work does not exceed 20 percent of the total original performance security unless the local agency allows for a release at an earlier time. Substitute bonds or other security may be used as a replacement for the performance security, subject to the approval of the local agency. If substitute bonds or other security is used as a replacement for the performance security released, the release shall not be effective unless and until the local agency receives and approves that form of replacement security. A reduction in the performance security, authorized under this section, is not, and shall not be deemed to be, an acceptance by the local agency of the completed improvements, and the risk of loss or damage to the improvements and the obligation to maintain the improvements shall remain the sole responsibility of the subdivider until all required public improvements have been accepted by the local agency and all other required improvements have been fully completed in accordance with the plans and specifications for the improvements.
- (e) The subdivider shall complete the works of improvement until all remaining items are accepted by the local agency.
- (f) Upon the completion of the improvements, the subdivider, or his or her assigns, shall be notified in writing by the local agency within 45 days.

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- (g) Within 45 days of the issuance of the notification by the local agency, the release of any remaining performance security shall be placed upon the agenda of the legislative body of the local agency for approval of the release of any remaining performance security. If the local agency delegates authority for the release of performance security to a public official or other employee, any remaining performance security shall be released within 60 days of the issuance of the written statement of completion.
- (h) Security securing the payment to the contractor, his or her subcontractors and to persons furnishing labor, materials or equipment shall, after passage of the time within which claims of lien are required to be recorded pursuant to Article 3 (commencing with Section 3114) of Chapter 2 of Title 15 of Part 4 of Division 3 of the Civil Code and after acceptance of the work, be reduced to an amount equal to the total claimed by all claimants for whom claims of lien have been recorded and notice thereof given in writing to the legislative body, and if no claims have been recorded, the security shall be released in full.
- (i) The release shall not apply to any required guarantee and warranty period required by Section 66499.9 for the guarantee or warranty nor to the amount of the security deemed necessary by the local agency for the guarantee and warranty period nor to costs and reasonable expenses and fees, including reasonable attorneys' fees.
- (j) The legislative body may authorize any of its public officers or employees to authorize release or reduction of the security in accordance with the conditions hereinabove set forth and in accordance with any rules that it may prescribe.
- (k) This section shall remain in effect only until January 1, 2011, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2011, deletes or extends that date.

SEC. 13.

- SEC. 23. Section 2051 of the Health and Safety Code is amended to read:
- 37 2051. A district may authorize the members of its board of 38 trustees and its employees to attend professional, educational, or 39 vocational meetings, and pay their actual and necessary traveling 40 and incidental expenses while on official business. The payment

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of expenses pursuant to this section may be in addition to the payments made pursuant to Section 2030. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3 of the Government Code.

SEC. 13.5. Section 5471 of the Health and Safety Code is amended to read:

- 5471. (a) In addition to the powers granted in the principal act, any entity shall have power, by an ordinance approved by a two-thirds vote of the members of the legislative body thereof, to prescribe, revise and collect, fees, tolls, rates, rentals, or other charges, for services and facilities furnished by it, either within or without its territorial limits, in connection with its water, sanitation, storm drainage, or sewerage system.
- (b) In addition to the powers granted in the principal act, any entity shall have the power, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, to prescribe, revise, and collect water, sewer, or sater and sewer standby or immediate availability charges for services and facilities furnished by it, either within or without its territorial limits, in connection with its water, sanitation, storm drainage, or sewerage system.
- (c) The entity may provide that the charge for the service shall be collected with the rates, tolls, and charges for any other utility, and that any or all of these charges may be billed upon the same bill. Where the charge is to be collected with the charges for any other utility service furnished by a department or agency of the entity and over which its legislative body does not exercise control, the consent of the department or agency shall be obtained prior to collecting water, sanitation, storm drainage, or sewerage charges with the charges for any other utility. Revenues derived under the provisions in this section, shall be used only for the acquisition, construction, reconstruction, maintenance, and operation of water systems and sanitation, storm drainage, or sewerage facilities, to repay principal and interest on bonds issued for the construction or reconstruction of these water systems and sanitary, storm drainage, or sewerage facilities and to repay federal or state loans or advances made to the entity for the construction or reconstruction of water systems and sanitary, storm drainage, or sewerage facilities. However, the revenue shall not be used for the acquisition or construction of new local

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street sewers or laterals as distinguished from main trunk, interceptor and outfall sewers.

- (d) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the entity may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the entity shall comply with the notice, protest, and hearing procedures in Section 53753.
- SEC. 24. Section 33327 of the Health and Safety Code is amended to read:
- 33327. After receipt of any preliminary redevelopment plan pursuant to Section 33325, the agency shall transmit to the auditor, assessor, and tax collector county auditor and county assessor of the county in which the proposed project is located, or to the officer or officers performing the functions of the auditor or assessor for any taxing agencies which, in levying or collecting its taxes, do not use the county assessment roll or do not collect its taxes through the county, to the legislative or governing bodies of local agencies which receive a portion of the property tax levied pursuant to Part 0.5 (commencing with Section 50) of the Revenue and Taxation Code and to the State Board of Equalization:
- 23 (1)

- 24 (a) A description of the boundaries of the project area.
- 25 (2)
 - (b) A statement that a plan for the redevelopment of the area is being prepared.
- 28 (3)
- 29 (c) A map indicating the boundaries of the project area.
 - In addition, the agency may include a listing, by tax rate area, of all parcels within the boundaries of the project area and the value used for each parcel on the secured property tax roll.
 - Thereafter, if the boundaries of the proposed project are changed, the agency shall notify the taxing officials and the State Board of Equalization within 30 days by transmitting a description and map indicating each boundary change made. The State Board of Equalization shall prescribe the format of the description of boundaries and statements, and the form, size,
- 39 contents, and number of copies of the map required to be
- 40 transmitted pursuant to this section.

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SEC.25. Section 33375 of theHealth and Safety Code is amended to read:

33375. After the adoption by the legislative body of a redevelopment plan—which that contains the provision permitted by Section 33670, the clerk of the community shall transmit a copy of the description and statement recorded pursuant to Section 33373, a copy of the ordinance adopting the plan, and a map or plat indicating the boundaries of the project area to the auditor and—tax assessor of the county in which the project is located; to the officer or officers performing the functions of auditor or assessor for any taxing agencies which, in levying or collecting its taxes, do not use the county assessment roll or do not collect its taxes through the county; to the governing body of each of the taxing agencies which levies taxes upon any property in the project area; and to the State Board of Equalization.

Such Those documents shall be transmitted within 30 days following the adoption of the redevelopment plan. The legal effect of such those transmittals shall be as set forth in Section 33674.

SEC. 13.6.

SEC. 26. Section 40980 of the Health and Safety Code is amended to read:

40980. (a) The Sacramento district shall, at a minimum, be governed by a district board composed of the Board of Supervisors of the County of Sacramento.

- (b) If the County of Placer submits a resolution of inclusion, pursuant to Section 40963, one or more elected officials from that county shall be included on the Sacramento district board, pursuant to agreement between that county and the Sacramento district board.
- (c) (1) The membership of the Sacramento district board shall include one or more members who are mayors or city council members, or both, and one or more members who are county supervisors.
- (2) The number of those members and their composition shall be determined jointly by the counties and cities within the district, and shall be approved by a majority of the counties, and by a majority of the cities which contain a majority of the population in the incorporated area of the district.

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(d) The governing board shall reflect, to the extent feasible and practicable, the geographic diversity of the district and the variation of population between the cities in the district.

- (e) (1) Except as provided in paragraph (2), the members of the governing board who are mayors or city council members shall be selected by the city council of the city that they represent. The members of the governing board who are county supervisors shall be selected by the county if the district only contains one county or a majority of counties within the district if the district contains more than one county.
- (2) The city selection committee shall be convened to select a member of the governing board from nominees who are mayors or city council members only if there is to be a change in a board member designated to represent more than one city, and only if more than one of those cities submits nominees for that board member position.
- (f) (1) If the district fails to comply with subdivision (c), one-third of the members of the governing board shall be mayors or city council members, and two-thirds shall be county supervisors. The number of those members shall be determined as provided in paragraph (2) of subdivision (c), and the members shall be selected pursuant to subdivision (e).
- (2) For purposes of paragraph (1), if any number which is not a whole number results from the application of the term "one-third" or "two-thirds," the number of county supervisors shall be increased to the nearest integer, and the number of mayors or city council members decreased to the nearest integer. SEC. 13.7.

SEC. 27. Section 20736 of the Public Contract Code is amended to read:

20736. (a) All construction authorized under this article that exceeds two thousand five hundred dollars (\$2,500) shall be awarded upon competitive bidding. Notice of the proposed letting of such a contract shall be published pursuant to Section 6066 of the Government Code in a newspaper of general circulation in the district or, if there is none, of general circulation in the county, the first publication to be at least two weeks prior to the opening of bids. The notice inviting bids shall set a date for the opening of bids. The contract shall be awarded to the lowest responsible bidder. In its discretion, the board may

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reject any bids presented and readvertise. If two or more bids are the same and the lowest, the board may accept the one it chooses. If no bids are received, the board may have the work done directly by purchasing the materials and hiring the labor.

- (b) If all bids are rejected, the board may adopt a resolution, by four-fifths vote, declaring that the work can be performed more economically by hiring day labor, or that the materials or supplies can be furnished at a lower price in the open market, and may have the work done in the manner stated in the resolution in order to take advantage of this lower cost.
- (c) If there is an emergency, the board may, by four-fifths vote adopt a resolution declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property, and expend any sum required in the emergency without submitting the expenditure to the bidding procedure set forth. If notice for bid to let contracts will not be given, the board shall comply with Chapter 2.5 (commencing with Section 22050).
- (d) The board may negotiate with the government of the United States or any department or agency thereof, the state or any department or agency thereof, or any local public agency for the purpose of assisting the district in the performance of any of the work authorized by this article and, without advertising for bids, may cause the district to contribute to the United States, the State of California, or any local public agency all or any portion of the estimated cost of any work authorized by this article which is to be done by or under contract with the United States, the State of California, or any local public agency.

SEC. 14.

- SEC. 28. Section 22032 of the Public Contract Code is amended to read:
- 22032. (a) Public projects of thirty thousand dollars (\$30,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.
- (b) Public projects of one hundred twenty-five thousand dollars (\$125,000) or less may be let to contract by informal procedures as set forth in this article.

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(c) Public projects of more than one hundred twenty-five thousand dollars (\$125,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.

SEC. 15.

SEC. 29. Section 22034 of the Public Contract Code is amended to read:

22034. Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to subdivision (b) of Section 22032. The ordinance shall include all of the following:

- (a) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission.
- (b) All contractors on the list for the category of work being bid or all construction trade journals specified in Section 22036, or both all contractors on the list for the category of work being bid and all construction trade journals specified in Section 22036, shall be mailed a notice inviting informal bids unless the product or service is proprietary.
- (c) All mailing of notices to contractors and construction trade journals pursuant to subdivision (b) shall be completed not less than 10 calendar days before bids are due.
- (d) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- (e) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.
- (f) If all bids received are in excess of one hundred twenty-five thousand dollars (\$125,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at one hundred thirty-seven thousand five hundred dollars (\$137,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

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SEC. 15.5.

SEC. 30. Section 5784.2 is added to the Public Resources Code, to read:

- 5784.2. (a) Notwithstanding any other provision of law, a local agency formation commission, in approving either a consolidation of districts or the reorganization of two or more districts into a single recreation and park district, pursuant to subdivisions (k) and (n) of Section 56886 of the Government Code, may temporarily increase the number of directors to serve on the board of directors of the consolidated or reorganized district to seven or nine, who shall be members of the board of directors of the districts to be consolidated or reorganized as of the effective date of the consolidation or reorganization.
- (b) Upon the expiration of the terms of the members of the board of directors of the consolidated or reorganized district, whose terms first expire following the effective date of the consolidation or reorganization, the total number of members on the board of directors shall be reduced until the number equals five members.
- (c) In addition to the powers granted under Section 1780 of the Government Code, in the event of a vacancy on the board of directors of the consolidated or reorganized district at which time the total number of directors is greater than five, the board of directors may, by majority vote of the remaining members of the board, choose not to fill the vacancy. In that event, the total membership of the board of directors shall be reduced by one board member.
- (d) For the purposes of this section, the following definitions apply:
- (1) "Consolidation" means consolidation as defined in Section 56030 of the Government Code.
- (2) "District" or "special district" means district or special district as defined in Section 56036 of the Government Code.
- (3) "Reorganization" means reorganization as defined in Section 56073 of the Government Code.
- 36 SEC. 16.
- 37 SEC. 31. Chapter 5 (commencing with Section 5790) of 38 Division 5 of the Public Resources Code is repealed.
- 39 SEC. 17. Section 13215 of the Public Resources Code is 40 amended to read:

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13215. The district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix by ordinance or resolution, on or before the first day of July in each calendar year, water or sewer standby or immediate availability charges. Each such charge shall not individually exceed twelve dollars (\$12) per year for each acre of land, or eight dollars (\$8) per year for each parcel of land of less than an acre within the district to which water or sewerage could be made available for any purpose by the district, whether the water or sewerage is actually used or not, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title of the Government Code. The district board may establish schedules varying the charges depending upon factors such as the uses to which the land is put, the cost of supplying such services to the land, and the amount of services used on the land. The district board may restrict the imposition of such charges to lands lying within one or more improvement districts within the district.

The limitations contained in this section shall not apply to any district which levied a standby charge pursuant to the County Service Area Law, Chapter 2.2 (commencing with Section 25210.1) Part 2, Division 2, of Title 3 of the Government Code prior to January 1, 1977. Any such district shall be subject to the provisions of Section 25210.77b of the Government Code.

SEC. 18. Section 13216 of the Public Resources Code is amended to read:

13216. If the procedures set forth in this section as it read at the time a standby or immediate availability charge was established were followed, the district board may, by ordinance or resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district board shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 19. Section 16475 of the Public Utilities Code is amended to read:

16475. (a) A public utility district which acquires, constructs, owns, operates, controls or uses works for supplying its inhabitants with water, may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code,

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fix and collect a water standby or immediate availability charge on all land within its boundaries to which water is made available for any purpose by the district, whether the water is actually used or not, except that such charge shall not supply to lands permanently dedicated exclusively to transportation of persons or property. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district's board of directors may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.

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- (b) The board of directors of the district which fixes such a charge may establish schedules varying the charges in different months and in different localities within a public utility district depending upon factors such as the uses to which the land is put, the cost of transporting the water to the land, the degree of availability or quantity of use of such water to the affected lands. The board may not, however, fix an annual charge in excess of ten dollars (\$10) per acre or in excess of five dollars (\$5) for parcel of less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.
- (c) If a person for more than one year obtains substantially all of his water requirements for the contiguous parcels of land which he occupies from rainfall, springs, streams, lakes, rivers or wells, and if the person's primary economic activity on such land is the commercial extraction or processing of minerals, such land shall be exempt from any water standby or availability charges.
- (d) Any funds derived from the charges levied pursuant to this section may be used by the district for all purposes which a public utility district is authorized to expend funds insofar as said purposes relate to the acquisition, construction, operation, control or use of works for supplying its inhabitants with water.
- SEC. 20. Section 16476 of the Public Utilities Code is repealed.
- 37 SEC. 21. Section 16477 of the Public Utilities Code is amended to read:
 - 16477. Notwithstanding Section 16475, the Board of Directors of the Fallbrook Public Utility District may, pursuant to

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the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix and collect an annual water standby or immediate availability charge. The standby or immediate availability charge shall not exceed thirty dollars (\$30) per acre or any parcel of less than one acre, unless the standby or immediate availability charge is imposed pursuant to the Uniform Standby Charge Procedures Act. Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.

The Legislature hereby finds and declares that this section, applicable only to the Fallbrook Public Utility District, is necessary because of the unique and special water management problems within that district.

SEC. 22. Section 16478 of the Public Utilities Code is amended to read:

16478. The Board of Directors of the Tahoe City Public Utility District, the Board of Directors of the South Tahoe Public Utility District, and the Board of Directors of the North Tahoe Public Utility District shall each have the authority to fix and collect an annual standby charge for sewage service on all lands within the district under its jurisdiction, in such amount as the board shall specify, provided that such standby charge for sewage service shall not exceed ten dollars (\$10) per acre for parcels in excess of one acre or twenty dollars (\$20) per parcel for parcels less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.

The standby charge authorized by this section shall be imposed only pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code. If the procedures set forth in this section as it read at the time a standby charge was established were followed, that charge may be levied at the same rate in subsequent years without the requirement of a hearing, provided that if new, increased, or extended assessments are proposed, the board of directors shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

The Legislature hereby finds and declares that this section, applicable only to the Tahoe City Public Utility District, the

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South Tahoe Public Utility District, and the North Tahoe Public
 Utility District is necessary because of the unique and special
 water management, pollution, and sewage disposal problems of
 the Lake Tahoe Basin.

SEC. 23.

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SEC. 32. Section 2215 of the Revenue and Taxation Code is amended to read:

2215. "Special district" means any agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area, formed for the purpose of designating an area within which a property tax rate will be levied to pay for a service or improvement benefiting that area. "Special district" does not include a city, a county, a school district or a community college district. "Special district" does not include any agency which is not authorized by statute to levy a property tax rate or receive an allocation of property tax revenues. However, for the purpose of the allocation of property taxes pursuant to Chapter 6 (commencing with Section 95) of Part 0.5, and notwithstanding Section 2237, any special district authorized to levy a property tax or receive an allocation of property tax by the statute under which the district was formed shall be considered a special district.

SEC. 24. Section 22280 of the Water Code is amended to read:

22280. Any district may in lieu in whole or in part of levying assessments fix and collect charges for any service furnished by the district, including, but not limited to, all of the following:

- (a) (1) Use, sale, or lease of water, which may include, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, a standby charge whether the water is actually used or not.
- (2) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.

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1 (b) Delivery of water for irrigation in excess of a specified 2 quantity per unit of land.

- (c) Water and the service thereof required by law or provisions of agreements under which all or part of the water supply of the district was acquired to be furnished outside its boundaries to consumers whose rights to service were at the time the supply of water was acquired by the district enforceable by reason of their status as persons of the class for whose benefit the water was appropriated or dedicated.
 - (d) Use of water for power purposes.
- (e) Sale of electric power.
- (f) Connections to new pipelines or extensions of existing pipelines required to serve water to lands in the district not adjacent to existing distribution works and which have been constructed in whole or in part at the expense of the district.
- (g) Services performed under contracts made pursuant to Section 22234.
 - (h) Use of water for groundwater recharge.
- SEC. 25. Section 31031 of the Water Code is amended to read:

31031. A district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, on or before the first day of July in each calendar year, a water standby or availability charge. The water standby or availability charge shall not exceed ten dollars (\$10) per acre per year for each acre of land, or ten dollars (\$10) per year for each parcel of land less than an acre within the district to which water is made available for any purpose by the district, whether the water is actually used or not, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The board of directors of a district which fixes such a charge may establish schedules varying such charge according to the land uses and the degree of availability or quantity of use of such water to the affected lands, and may restrict that charge to lands lying within one or more improvement districts within that district. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the board of directors may, by resolution, continue the charge in successive years at the -43- SB 1196

same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

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SEC. 26. Section 31031.8 of the Water Code is amended to read:

31031.8. Notwithstanding any other provision of this division, the Tuolumne Regional Water District may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, levy, and collect a water standby or availability charge of. The water standby or availability charge shall not exceed thirty dollars (\$30) per acre per year for each acre of land, or thirty dollars (\$30) per year for each parcel of land less than an acre, to which water is made available for any purpose by the district, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the Tuolumne Regional Water District may, by a four-fifths vote of the members of the board of directors, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 27. Section 31032.1 of the Water Code is amended to read:

31032.1. A district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, as an alternative to the charge prescribed by Section 31031, in each fiscal year, water standby or availability assessments of not to exceed thirty dollars (\$30) per acre per year for each acre of land, or thirty dollars (\$30) per year for each parcel of land less than an acre within the district to which water is made available for any purpose by the district, whether the water is actually used or not, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The board of directors of a district that fixes the assessment may establish schedules varying the assessment according to the land uses and

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 the degree of availability or quantity of use of water to the affected lands, and may restrict the assessment to lands lying within one or more improvement districts within the district. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the board of directors may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

A district may elect to have the assessments for the fiscal year collected on the tax roll in the same manner, by the same persons and at the same time as, together with and not separately from, its general taxes. In that event, it shall cause a written report to be prepared and filed with the secretary which report shall contain a description of each parcel of real property and the amount of the assessment for each parcel for the year.

SEC. 28. Section 31032.10 of the Water Code is amended to read:

31032.10. (a) Notwithstanding any other provision of this division, the Yorba Linda County Water District may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, in each fiscal year, within Improvement District No. 2 of the district, water standby or availability assessments of not to exceed two hundred fifty dollars (\$250) per year for (1) each acre or portion thereof or, in the alternative, (2) each residential unit, or the equivalent thereof as to property designated for other than residential purposes, not to exceed the maximum number of residential units or the equivalent thereof established in the General Plan for the property within Improvement District No. 2 adopted by the City of Yorba Linda on June 1, 1981, regardless of any amendment or revision of the General Plan, whether or not residential unit or the equivalent thereof is actually constructed and whether the water is actually used or not. The Board of Directors of the Yorba Linda County Water District shall establish schedules varying the assessment according to the land uses and the degree of availability or quantity of use of the water to the affected lands within Improvement District No. 2. If the assessment is to be collected on the basis of units, the written consent of the owner -45- SB 1196

of the property to be assessed on the basis of units shall be obtained.

- (b) The Yorba Linda County Water District may elect to have the assessments authorized by subdivision (a) for the fiscal year collected on the tax roll in the same manner, by the same persons, and at the same time as, and together with and not separately from, county taxes. In that event, the district shall prepare a written report which shall be filed with the secretary. The report shall contain a description of each parcel of real property and the amount of the assessment for each parcel for the year. If the assessment is to be assessed on a residential unit or equivalent basis as described in subdivision (a), the assessment for each assessor's parcel shall be determined by multiplying the estimated number of residential units or the equivalent thereof proposed at that time for the assessor's parcel by the proposed amount per residential unit as shown in the assessor's parcels in Improvement District No. 2 for the particular fiscal year.
- (c) The water standby or availability assessment authorized by this section shall not be imposed on any subdivided parcel upon which there exists a residential unit which has been connected to domestic water facilities of the Yorba Linda County Water District.
- (d) If the procedures set forth in this section as it read at the time a standby or availability assessment was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.
- (e) This section shall have no force or effect after January 1, 1989, except to the extent necessary to raise funds for interest or principal payments on bonds of Improvement District No. 2 issued prior to such date.
- SEC. 29. Section 31032.12 of the Water Code is amended to read:
- 31032.12. (a) Notwithstanding any other provision of this division, the Yorba Linda County Water District may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, in each fiscal year, within Improvement District No. 1 of the district, water standby or availability assessments of not to exceed ninety dollars (\$90) per

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year for each acre or portion thereof, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The Board of Directors of the Yorba Linda County Water District may vary the assessment according to the land uses and the degree of availability or quantity of use of water upon the affected lands within Improvement District No. 1.

- (b) The Yorba Linda County Water District may elect to have the assessments authorized by subdivision (a) for the fiscal year collected on the tax roll in the same manner, by the same persons, and at the same time, as, and together with and not separately from, county taxes. In that event, the district shall prepare a written report which shall be filed with the secretary. The report shall contain a description of each parcel of real property and the amount of the assessment for each parcel for the year.
- (c) The water standby or availability assessment authorized by this section shall not be imposed on any subdivided parcel with respect to which building permits have been issued prior to March 1 of each year or which has been connected to domestic water facilities of the Yorba Linda County Water District prior to July 1 of each year.
- (d) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the board of directors may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.
- (e) The purpose of this section is to provide a method whereby the Yorba Linda County Water District may more fairly allocate the cost of providing capital water facilities among the lands and present and future inhabitants of Improvement District No. 1 according to the benefit received. Accordingly, the proceeds of the assessment authorized by subdivision (a) shall be used only: (1) to supplement the proceeds of the ad valorem property tax levied by the Yorba Linda County Water District within Improvement District No. 1 to pay debt service on the Series A and Series B 1978 Water Bonds and additional general obligation bonded indebtedness, not to exceed the amount of five million

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dollars (\$5,000,000), of the Improvement District No. 1; and (2) to pay the cost of the proceedings incurred pursuant to this section.

SEC. 30. Section 31104 of the Water Code is amended to read:

31104. A district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, levy and collect a sewage and waste service standby or availability charge. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the county board of supervisors may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 31. Section 31104.5 of the Water Code is amended to read:

31104.5. In lieu of the standby or availability charge authorized to be levied and collected pursuant to Section 31104, the Crescenta Valley County Water District may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, levy, and collect a sewage and waste service standby or availability charge not to exceed sixty dollars (\$60) per available sewer connection per year, unless the standby or availability charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the Crescenta Valley County Water District may, by an ordinance approved by a two-thirds vote of the members of the legislative body thereof, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 32. Section 31104.7 of the Water Code is amended to read:

31104.7. Notwithstanding any other provision of this division, the Tuolumne Regional Water District may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, levy, and collect a sewage and waste

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service standby or availability charge of not more than thirty 2 dollars (\$30) per acre per year for each acre of land, or thirty 3 dollars (\$30) per year for each parcel of land less than an acre, to 4 which sewer service is made available by the district, unless the 5 standby or availability charge is imposed pursuant to the Uniform 6 Standby Charge Procedures Act, Chapter 12.4 (commencing with 7 Section 54984) of Part 1 of Division 2 of Title 5 of the 8 Government Code. If the procedures set forth in this section as it 9 read at the time a standby or availability charge was established 10 were followed, the Tuolumne Regional Water District may, by a four-fifths vote of the members of the board of directors, 11 12 continue the charge in successive years at the same rate. If new, 13 increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in 14 15 Section 53753.

SEC. 33. Section 31104.8 of the Water Code is amended to read:

31104.8. (a) Notwithstanding any other provision of this division, the Santa Ana Mountains County Water District may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, in each fiscal year, within Community Facilities District No. 2 of the district, sewage and waste service standby or availability assessments of not more than two hundred fifty dollars (\$250) per year for each acre or portion thereof to which sewage and waste service is immediately available, unless the standby or availability assessment is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The Board of Directors of the Santa Ana Mountains County Water District may establish schedules varying the assessment according to the land uses and the degree of availability or quantity of use of the sewer capacity to the affected lands.

(b) The Santa Ana Mountains County Water District may elect to have the assessments authorized by subdivision (a) for the fiscal year collected on the tax roll in the same manner, by the same persons, and at the same time, as, and together with and not separately from, county taxes. In that event, the district shall prepare a written report which shall be filed with the secretary. The report shall contain a description of each parcel of real

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property and the amount of the assessment for each parcel for the year.

- (c) The sewage and waste service standby or availability assessment authorized by this section shall not be imposed on any subdivided parcel upon which there exists a residential unit which has been connected to domestic sewer facilities of the Santa Ana Mountains County Water District.
- (d) If the procedures set forth in this section as it read at the time a standby or availability assessment was established were followed, the Santa Ana Mountains County Water District may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.
- SEC. 34. Section 35470 of the Water Code is amended to read:

35470. Any district formed on or after July 30, 1917, may, in lieu in whole or in part of raising money for district purposes by assessment, make water available to the holders of title to land or the occupants thereon, and may fix and collect charges therefor. Pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, the charges may include standby charges to holders of title to land to which water may be made available, whether the water is actually used or not. The charges may vary in different months and in different localities of the district to correspond to the cost and value of the service, and the district may use so much of the proceeds of the charges as may be necessary to defray the ordinary operation or maintenance expenses of the district and for any other lawful district purpose.

SEC. 35. Section 35470.1 is added to the Water Code, to read:

35470.1. If the procedures set forth in this article as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 36. Section 37210.1 is added to the Water Code, to read:

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37210.1. In levying a standby charge, the board of any district which has elected pursuant to Section 37203 to proceed under this part shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 37. Section 37210.2 is added to the Water Code, to read:

37210.2. If the procedures set forth in this part as it read at the time a standby charge was established were followed, the board may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Sections 53753.

SEC. 38. Section 50902 of the Water Code is amended to read:

- 50902. (a) In addition to its other powers, a district may, by a resolution of the board at a noticed public hearing, fix and collect charges and fees, including minimum and standby charges, for the provision of benefits and services.
- (b) Notice of the public hearing shall be given by publication once a week for two successive weeks in a newspaper of general eirculation published in the principal county.
- (c) The board, in fixing the charges and fees, may establish the dates of delinquency and may impose penalties for delinquency not exceeding 10 percent of the amount of the charge or fee and may, in addition, collect interest at a rate not to exceed 1.5 percent per month from the date of delinquency on all delinquent charges and fees. The district may sue for the recovery of unpaid charges and fees or the unpaid charges or fees may be added to the operation and maintenance assessment in the same manner as unpaid water charges pursuant to Section 51440.
- (d) The revenue obtained from charges and fees may be in lieu of, or supplemental to, revenue obtained in any other manner and may be used for any district purpose and the payment of any district obligation.
- (e) After a charge or fee is initially fixed by the board at a noticed public hearing, the board may subsequently reduce that amount of that charge or fee without notice or a public hearing.
- (f) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the board may, by resolution, continue the charge in successive years at the

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same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

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SEC. 39. Section 50911 of the Water Code is amended to read:

50911. When a district has adopted plans for the irrigation of district lands it may:

- (a) Adopt rules and regulations for the distribution of water.
- (b) Adopt a schedule of rates to be charged by the district for furnishing water for the irrigation of district lands. The schedule of rates may include standby charges to holders of title to land to which water may be made available, whether the water is actually used or not. The standby charge shall not exceed twenty dollars (\$20) per year for each acre of land or for a parcel less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.
- (c) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.
- (d) Collect the charges from the persons to or for whom the water was furnished and from the holders of title to land to which water has been made available, whether used or not.
 - (e) Sue for the recovery of the unpaid charges.
- SEC. 40. Section 52402 of the Water Code is amended to read:
- 52402. A district may, by resolution or indenture, prescribe and revise charges for the services of its properties, works, and facilities, singly or as a whole, or for the providing of such properties, works, or facilities, or for their availability, including minimum and standby charges. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.
- 39 SEC. 41. Section 55501.5 of the Water Code is amended to 40 read:

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55501.5. A district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix a water service standby or immediate availability charge to be applied on an area or frontage or parcel basis, or a combination thereof, within the district to be charged to areas to which water service is made available for any purpose by the district, whether the water service is actually used or not. The district may establish schedules varying the charge according to the land uses and the degree of availability or quantity of use of the water service to the affected lands, and may restrict the charge to lands lying within one or more zones or areas of benefits established within the district. The district may not, however, except as is otherwise provided in this section, fix a charge in excess of thirty dollars (\$30) per acre or for a parcel of less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.

If the procedures set forth in this section as it read at the time a standby or availability charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.

The maximum charge which may be fixed by the district may be increased from one fiscal year to the next by the same percentage increase as reflected by the Consumer Price Index, as issued by the United States Bureau of Labor Statistics, relative to the immediately preceding fiscal year.

If a person for more than one year obtains substantially all of his water requirements for the contiguous parcels of land which the person occupies from rainfall, springs, streams, lakes, rivers or wells, and if the person's primary economic activity on the land is the commercial extraction or processing of minerals, the land is exempt from any water standby or availability charges.

The district may collect the standby or availability charge by billing the charged lands on a fiscal year basis or by other means available.

The district may collect the standby or availability charge as a part of the annual general county tax bill if the district furnishes

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in writing to the board of supervisors and to the county auditor the description of each parcel for which a charge is to be billed, together with the amount of the charge applicable to each parcel, in sufficient time to meet the schedule established by the county for inclusion of those items on the county general tax bill. The parcel description may be the parcel number assigned by the county assessor to the parcel. In that case, the standby or availability charge is a lien against the parcel of land to which it is charged in the same manner as the county general taxes. Penalties may be collected for late payment of the standby or availability charge, or the amount thereof unpaid, in the manner and at the same rates as that applicable for late payment or the amount thereof unpaid of county general taxes. All laws applicable to the levy, collection, and enforcement of municipal ad valorem taxes are applicable to those charges, except that, if any real property to which the lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of the taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to the real property and the charge relating to the property shall be transferred to the unsecured roll for collection.

If the district collects standby charges through the county general tax bill, the amount of the standby charge and any applicable penalty shall be stated on the tax bill separately from all other taxes, if practicable.

SEC. 42. Section 55507 of the Water Code is amended to read:

55507. A district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix a sewer service standby or immediate availability charge to be applied on a parcel basis within the district to be charged to the parcels to which sewer service is made available by the district, whether the sewer service is actually used or not. The district may establish schedules for the charge, and may restrict the charge to lands lying within one or more zones or areas of benefits established within the district. The district may not, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with

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Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code, fix a charge in excess of thirty dollars (\$30) a year for a residential parcel. Commercial or other parcels shall be charged according to equivalent residential parcels, but shall not exceed thirty dollars (\$30) per acre per year, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.

If the procedures set forth in this section as it read at the time a standby or availability charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753.

The district may collect the standby or availability charge by billing the charged lands on a fiscal year basis or by other means available.

The district may collect the standby or availability charge as a part of the annual general county tax bill if the district furnishes in writing to the board of supervisors and to the county auditor the description of each parcel for which a charge is to be billed, together with the amount of the charge applicable to each parcel, in sufficient time to meet the schedule established by the county for inclusion of those items on the county general tax bill. The parcel description may be the parcel number assigned by the county assessor to the parcel. In that case, the standby or availability charge shall become a lien against the parcel of land to which it is charged in the same manner as the county general taxes. Penalties may be collected for late payment of the standby or availability charge, or the amount thereof unpaid, in the manner and at the same rates as that applicable for late payment or the amount thereof unpaid of county general taxes. All laws applicable to the levy, collection, and enforcement of municipal ad valorem taxes are applicable to those charges, except that, if any real property to which the lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of the taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to the real _55_ SB 1196

property and the charge relating to the property shall be transferred to the unsecured roll for collection.

If the district collects standby charges through the county general tax bill, the amount of the standby charge and any applicable penalty shall be stated on the tax bill separately from all other taxes, if practicable.

SEC. 43. Section 71630 of the Water Code is amended to read:

71630. The district by ordinance may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix on or before the third Monday of August, in each fiscal year, a water standby assessment or availability charge in the district, in any portion thereof, or in any improvement district, to which water is made available by the district, whether the water is actually used or not.

SEC. 44. Section 71632 of the Water Code is amended to read:

71632. The ordinance fixing a standby assessment or availability charge shall be adopted by the board pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code and only after adoption of a resolution setting forth the particular schedule or schedules of charges or assessments proposed to be established by ordinance and after a hearing on said resolution.

If the procedures set forth in this section as it read at the time a standby assessment or availability charge was established were followed, the board may, by ordinance, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 45. Section 71638 of the Water Code is amended to read:

71638. If the procedures set forth in this article as it read at the time a standby charge was established were followed, the district or improvement district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district or improvement district shall comply with the notice, protest, and hearing procedures in Section 53753.

SEC. 46. Section 71638.1 of the Water Code is repealed.

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SEC. 47. Section 71638.2 of the Water Code is repealed.
 SEC. 48. Section 71638.3 of the Water Code is repealed.

SEC. 49. Section 71638.4 of the Water Code is amended and renumbered to read:

71638.1. The levy and collection of an assessment or charge shall be made as provided in Sections 71634 to 71637, inclusive. SEC. 50. Section 3.9 of the Amador County Water Agency Act (Chapter 2137 of the Statutes of 1959) is amended to read:

Sec. 3.9. The agency may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix standby charges to be applied on an area, or frontage, or parcel basis, or a combination thereof, to such areas within the agency to which service is made available, whether the service is actually used or not, for the purpose of financing or maintaining and operating projects which the agency is authorized to undertake. The agency may establish schedules varying those charges according to the land uses and the degree of availability or quantity of use of such service to the affected lands, and may restrict that charge to lands lying within one or more improvement districts or areas of benefits established within the agency; provided, however, that the agency may not: (1) fix an annual charge in excess of ten dollars (\$10) for each acre or for each parcel of less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code; (2) apply standby charges to parcels that are being used for the production of plant erops, including timber, or livestock for market; or (3) apply standby charges to lands situated more than one-quarter of a mile from an available main or service connection. The agency may collect the standby charges as a part of the annual general county tax bill, provided the agency furnishes in writing to the board of supervisors and to the county auditor the description of each parcel for which a charge is to be billed together with the amount of the charge applicable to each parcel in sufficient time to meet the schedule established by the county for inclusion of such items on the county general tax bill. The parcel description may be the parcel number assigned by the county assessor to the parcel. In such cases, the standby charge shall become a lien against the parcel of land to which it is charged in the same manner as the _57_ SB 1196

county general taxes. Penalties may be collected for late payment of the standby charge or the amount thereof unpaid in the manner and at the same rates as that applicable for late payment or the amount thereof unpaid of county general taxes. If the agency collects standby charges through the county general tax bill, the amount of the standby charge and any applicable penalty shall be stated on the tax bill separately from all other taxes, if practicable.

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the agency shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 51. Section 76 of the Antelope Valley-East Kern Water Agency Law (Chapter 2146 of the Statutes of 1959) is amended to read:

Sec. 76. The agency, by ordinance, may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, on or before the first day of July in any calendar year, a water standby or availability charge within the agency or in any improvement district thereof to which water is made available by the agency through underground or by surface facilities, whether the water is actually used or not. The standby charge shall not exceed ten dollars (\$10) per acre per year for each acre of land within the agency or any improvement district thereof or ten dollars (\$10) per year for any parcel of less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The ordinance fixing a standby charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability. On or before the third Monday in August, the board shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the agency upon which a standby charge is to be levied and collected for the current fiscal year, together with the amount of standby charge fixed by the district on each parcel of land. The board shall direct that, at the time and in the manner required by law for SB 1196 — 58—

the levying of taxes for county purposes, the board of supervisors shall levy, in addition to any other tax it levies, a standby charge in the amounts for the respective parcels fixed by the board. All county officers charged with the duty of collecting taxes shall collect agency standby charges with the regular tax payments to the county. Such charges shall be collected in the same form and manner as county taxes are collected and shall be paid to the agency. Charges fixed by the agency shall constitute a lien on the property benefited thereby as of the same time and in the same manner as does the tax lien securing such annual taxes. All laws applicable to the levy, collection and enforcement of municipal ad valorem taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attached thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to such real property and the delinquent and unpaid charges relating to such property shall be transferred to the unsecured roll for collection.

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the board may, by ordinance, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 52. Section 24.1 of the Castaic Lake Water Agency Law (Chapter 28 of the Statutes of 1962, First Extraordinary Session) is amended to read:

Sec. 24.1. The agency, by resolution, may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, annually fix on the basis of benefit a water standby charge within any water service area of the agency to which water is made available. The agency may cause the water standby charge to be applied on an area or parcel basis, or a combination of both, to benefited lands, whether water available is actually used or not. The agency may fix and establish in its adopting resolution appropriate schedules varying the water standby charges within its water service areas according to the

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land uses and the degree of availability to affected lands. Availability of water pursuant to this section shall include, without limitation, the agency's contract interests pursuant to the State Water Resources Development System and the agency's property, plant, and distribution facilities. The water standby charge of the agency shall not exceed forty dollars (\$40) per acre per year for each acre of land, or forty dollars (\$40) per year for any parcel of land less than one acre, within any water service area of the agency, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The resolution fixing water standby charges shall be adopted by the board of directors only at or after the annual hearing on the formation of water service areas within the agency. The agency may use the proceeds of the water standby charges only for the annual capital budget of the agency, as described in Section 29.1.

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If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the agency shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

On or before the second Monday in August of each year in which a water standby charge is to be levied and collected for the then current fiscal year, the board of directors shall furnish in writing to the county auditor of each affected county the parcel number of each parcel of land within any water service area within the agency upon which a charge is to be levied and collected, together with the amount of the water standby charge fixed by the agency on each assessed parcel of land subject to the levy. The board shall direct that, at the time and in the manner required by law for the levying of taxes for county purposes, the board of supervisors shall levy, in addition to any other tax, assessment, or charge it levies, a water standby charge in the amounts and on the respective parcels identified by the agency's board. All county officers charged with the duty of collecting, receiving, and disbursing taxes shall collect agency water standby charges with the regular tax payments to the county. The charges shall be collected in the same form and manner as county

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taxes are collected and shall be paid to the agency. The agency shall reimburse the county for its necessary costs and expenses.

Any water service charges fixed by the agency shall be liens against the parcels of land against which those charges have been imposed. Liens for those charges shall be of the same force and effect as liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for either state or county taxes.

SEC. 53. Section 420 of the Colusa Basin Drainage District Act (Chapter 1399 of the Statutes of 1987) is amended to read:

Sec. 420. (a) The board may, by resolution following notice and public hearing, fix rates or charges for services provided by the district reflecting the reasonable cost and value of providing that service. If the board determines that rates or charges for services are an appropriate means for raising the cost of those services in lieu of, or in addition to, the assessment provided in Part 7 (commencing with Section 700), the board shall adopt a resolution determining those rates or charges for services provided that are deemed to be appropriate and directing that notice be given of the proposed fixing of rates or charges. The resolution shall identify the nature of the rate or charge proposed to be fixed, the area in which the rate or charge is to be imposed, and the nature of the benefit for which the rate or charge shall be collected.

A notice of the resolution shall be published once a week for two successive weeks in a newspaper of general circulation published in the county seat of each county located within the area as to which the rates or charges are to be made applicable. The notice shall recite the time and date of the hearing to be held by the board upon the proposed rates or charges.

At the conclusion of the hearing, the board may adopt a resolution fixing the rates or charges, setting forth the area within which the rate or charge shall be applied, the amount, the charge, and the nature of the service for which the rate or charge is imposed. One week prior to the date on which the rate or charge is made payable, a notice shall be published in the same newspaper of general circulation setting forth the nature and amount of the charge, the due date, the delinquency date, and the penalty and interest to be imposed if not paid prior to delinquency.

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(b) The board may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix standby charges not to exceed ten dollars (\$10) per year per acre or parcel less than an acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. If the procedures set forth in this section as read at the time a standby charge was established were followed, the board may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 54. Section 441 of the Colusa County Flood Control and Water Conservation District Act (Chapter 926 of the Statutes of 1983) is amended to read:

Sec. 441. The district shall have authority, by resolution pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, to levy a standby or carrying charge against each acre of land or fraction thereof to which a service provided by the district is available, irrespective of whether the service is actually used. The standby or carrying charge shall not exceed ten dollars (\$10) per acre or fraction per year, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. However, no standby or carrying charge for water service shall be applied to lands situated more than one-quarter of a mile from an available main or service connection. The resolution shall be published one time in a newspaper of general circulation in the district at least seven days before the effective date of the standby charge.

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

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SEC. 55. Section 11.5 of the Crestline-Lake Arrowhead Water Agency Act (Chapter 40 of the Statutes of 1962, First Extraordinary Session) is amended to read:

Sec. 11.5. The agency, by ordinance, may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix, on or before the first day of July in each calendar year, a water standby or availability charge in any area within the agency boundaries to which wholesale or retail water is made available by the agency, whether the water is actually used or not. The standby charge shall not exceed ten dollars (\$10) per acre per year for each acre of land or parcel less than one acre within the agency boundaries, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The ordinance fixing a standby charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability. If any standby charge remains unpaid on the first day of the month before the month in which the board of supervisors of each affected county is required by law to levy the amount of taxes required for county purposes, the amount of the unpaid standby charge shall be added to and become part of the annual tax levied upon the land to which water for which the standby charge is unpaid was available. The amount of the unpaid standby charge shall constitute a lien on that land as of the same time and in the same manner as does the tax lien securing the annual taxes. All laws applicable to the levy, collection, and enforcement of municipal ad valorem taxes shall be applicable to the assessment, except that if any real property to which the lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of the taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to the real property and the delinquent and unpaid charges relating to the property shall be transferred to the unsecured roll for collection. At least 15 days before the first day of the month in which the board of supervisors of each affected county is required by law to levy the amount of taxes required for county purposes, the board shall furnish in writing to the board of -63- SB 1196

supervisors and the county auditor of each affected county a description of each parcel of land within the agency upon which a standby charge remains unpaid, together with the amount of the unpaid standby charge on each such parcel of land.

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If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the agency shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 56. Section 3.8 of the Mariposa County Water Agency Act (Chapter 2036 of the Statutes of 1959) is amended to read:

Sec. 3.8. The agency may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix standby charges to be applied on an area, frontage, or parcel basis, or a combination thereof, to those areas within the agency to which service is made available, whether the service is actually used or not, for the purpose of financing or maintaining and operating projects which the agency is authorized to undertake. The agency may establish schedules varying the charges according to the land uses and the degree of availability or quantity of use of the service to the affected lands, and may restrict the charge to lands lying within one or more zones established within the agency; provided, however, that the agency may not: (1) fix an annual charge in excess of ten dollars (\$10) for each acre or for each parcel of less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code; (2) apply standby charges to parcels that are being used for the production of plant crops, including timber, or livestock for market; or (3) apply standby charges to lands situated more than one-quarter of a mile from an available main or service connection. The agency may collect the standby charges as a part of the annual general county tax bill, provided the agency furnishes in writing to the board of supervisors and to the county auditor the description of each parcel for which a charge is to be billed together with the amount of the charge applicable to each parcel in sufficient time to meet the schedule established by the county for inclusion of those items on the county general tax bill. SB 1196 — 64—

The parcel description may be the parcel number assigned by the county assessor to the parcel. In those cases, the standby charge shall become a lien against the parcel of land to which it is charged in the same manner as the county general taxes. Penalties may be collected for late payment of the standby charge or the amount thereof unpaid in the manner and at the same rates as that applicable for late payment or the amount thereof unpaid of county general taxes. If the agency collects standby charges through the county general tax bill, the amount of the standby charge and any applicable penalty shall be stated on the tax bill separately from all other taxes, if practicable.

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the agency shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 57. Section 12 of the Monterey County Water Resources Agency Act (Chapter 1159 of the Statutes of 1990) is amended to read:

Sec. 12. (a) The agency, by ordinance, may fix, on or before August 31 in each calendar year, a water standby or availability charge for any lands to which water is made available by the agency, whether the water is actually used or not. The water standby charge shall be used for ongoing maintenance and operation of the zones of the agency upon which the charge is imposed, as well as for retirement of any bonded indebtedness attributable to that zone.

- (b) The standby charge for each zone shall not exceed fifteen dollars (\$15) per acre per year for each acre of land or fifteen dollars (\$15) per year for a parcel less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act (Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code).
- (c) The ordinance fixing a standby charge shall be adopted by the board only pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code.

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may,

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by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the agency shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

- (d) The ordinance fixing a standby charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability.
- (e) The board shall furnish in writing to the county board of supervisors and the county auditor a description of each parcel of land within the agency upon which a standby charge is to be levied and collected for the current fiscal year, together with the amount of standby charge fixed by the agency on each parcel of land.
- (f) The board shall direct that, at the time and in the manner required by law for the levying of taxes for county purposes the board of supervisors shall levy, in addition to any other tax it levies, the standby charge in the amounts for the respective parcels fixed by the board.
- (g) All county officers charged with the duty of collecting taxes shall collect agency standby charges with the regular tax payments to the county. The charges shall be collected in the same form and manner as county taxes are collected, and shall be paid to the agency.
- (h) Charges fixed by the agency, including water tolls or charges, shall be a lien on all property against which the charge is imposed or to which the water is delivered. Liens for the charges shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and county taxes.
- SEC. 58. Section 721 of the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977) is amended to read:
- Sec. 721. The district may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix standby charges to be applied on an area, or frontage, or parcel basis, or a combination thereof, to such areas within the agency to which service is made available, whether the service is actually used or not, for the purpose of financing or maintaining and operating projects or works which the district is authorized to undertake. The district may establish schedules varying the

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charges according to the land uses and the degree of availability 2 or quantity of use of the service to the affected lands, and may 3 restrict the charge to lands lying within one or more zones 4 established within the district; provided, however, that the district 5 may not: (1) fix an annual charge in excess of ten dollars (\$10) for each acre or for each parcel of less than one acre, unless the 6 7 standby charge is imposed pursuant to the Uniform Standby 8 Charge Procedures Act, Chapter 12.4 (commencing with Section 9 54984) of Part 1 of Division 2 of Title 5 of the Government Code; (2) apply standby charges to parcels that are being used for 10 the production of livestock for market or plant crops, including 11 12 timber; or (3) apply standby charges to lands situated more than 13 one-quarter of a mile from an available main or service connection. 14

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 59. Section 441 of the Placer County Flood Control and Water Conservation District Act (Chapter 689 of the Statutes of 1984) is amended to read:

Sec. 441. The district shall have authority, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, to levy a standby or carrying charge against each acre of land or fraction thereof to which a service provided by the district is available, irrespective of whether the service is actually used. The standby or carrying charge shall not exceed ten dollars (\$10) per acre or fraction of acre per year, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. However, no standby or carrying charge for water service shall be applied to lands situated more than one-quarter of a mile from an available main or service connection. The resolution shall be published one time in a newspaper of general circulation in the district at least seven days before the effective date of the standby charge.

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If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 60. Section 603 of the San Diego Area Wastewater Management District Act (Chapter 803 of the Statutes of 1992) is amended to read:

Sec. 603. The board may, by ordinance, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, fix on or before the third Monday in August in each fiscal year, a sewer standby availability charge on land within the boundaries of the district to which sewer services are made available by the district, whether the service is actually used or not.

SEC. 61. Section 604 of the San Diego Area Wastewater Management District Act (Chapter 803 of the Statutes of 1992) is amended to read:

Sec. 604. The sewer standby availability charge shall be adopted by the board only after adoption of a resolution setting forth the particular schedule or schedules of charges proposed to be established by ordinance and after a public hearing on the resolution. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the board may, by ordinance, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 62. Section 441 of the Sutter County Flood Control and Water Conservation District Act (Chapter 688 of the Statutes of 1984) is amended to read:

Sec. 441. The district shall have authority, by resolution, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, to levy a standby or carrying charge against each acre of land or fraction thereof to which a service provided by the district is available, irrespective of whether the service is actually used. The standby or carrying charge shall not exceed ten dollars (\$10) per acre or fraction of acre per year, unless the standby charge is imposed pursuant to

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the Uniform Standby Charge Procedures Act, Chapter 12.4
(commencing with Section 54984) of Part 1 of Division 2 of Title
5 of the Government Code. However, no standby or carrying
charge for water service shall be applied to lands situated more
than one-quarter of a mile from an available main or service
connection. The resolution shall be published one time in a
newspaper of general circulation in the district at least seven days
before the effective date of the standby charge.

If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

SEC. 63. Section 27.6 of the Yolo County Flood Control and Water Conservation District Act (Chapter 1657 of the Statutes of 1951) is amended to read:

Sec. 27.6. (a) The board may, pursuant to the notice, protests, and hearing procedures in Section 53753 of the Government Code, fix a water standby or availability charge for land within the district to which water is made available for any purpose by the district, whether the water is actually used or not. The charges may be restricted to lands lying within one or more improvement districts or zones or any portion thereof within the district. The charge shall not exceed ten dollars (\$10) per acre per year for each acre of land within the district or any improvement district or zone thereof or ten dollars (\$10) per year for any parcel of less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code. The board may establish schedules varying the charges depending upon, but not limited to, factors such as land uses, water uses, the cost of transporting the water to the land, and the degree of water availability.

(b) In order to fix the charges, the board shall adopt a resolution pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may, by resolution, continue the charge in successive years at the same rate. If new,

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increased, or extended assessments are proposed, the agency shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

- SEC. 64. Section 5.2 of the County Water Authority Act (Chapter 545 of the Statutes of 1943) is amended to read:
- Sec. 5.2. (a) Any authority may, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, by ordinance, fix on or before the third Monday of August, in each fiscal year, a water standby availability charge on land within the boundaries of the authority, to which water is made available by the authority, whether the water is actually used or not.
- (\$10) per acre per year for each acre of land within the authority or ten dollars (\$10) per year for a parcel less than one acre, unless the standby charge is imposed pursuant to the Uniform Standby Charge Procedures Act, Chapter 12.4 (commencing with Section 54984) of Part 1 of Division 2 of Title 5 of the Government Code.
- (c) If the procedures set forth in this section as it read at the time an availability charge was established were followed, the authority may, by ordinance, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the authority shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.
- (d) On or before the third Monday in August, the board of directors shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of that parcel of land within the authority upon which an availability charge is to be levied and collected for the current fiscal year, together with the amount of availability charge fixed by the authority on each parcel of land which is to be added to the assessment roll.
- (e) The authority shall direct that, at the time and in the manner required by law for the levying of taxes for county purposes, the board of supervisors shall levy, in addition to any other taxes levied, the availability charge in the amounts for the respective parcels fixed by the authority.

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(f) All county officers charged with the duties of collecting taxes shall collect the authority's availability charges with the regular tax payments to the county. The availability charges shall be collected in the same form and manner as county taxes are collected, including procedures in the event of delinquency. Upon collection of the availability charges by the tax collector, the collections shall be paid to the authority. The county may deduct the reasonable administrative costs incurred in levying and collecting the water standby availability charge.

SEC. 65. Section 134.5 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 134.5. (a) The board may, from time to time, pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, impose a water standby or availability service charge within a district. The amount of revenue to be raised by the service charge shall be as determined by the board.

- (b) Allocation of the service charge among member public agencies shall be in accordance with a method established by ordinance or resolution of the board. Factors that may be considered include, but are not limited to, historical water deliveries by a district; projected water service demands by member public agencies of a district; contracted water service demands by member public agencies of a district; service connection capacity; acreage; property parcels; population, and assessed valuation, or a combination thereof.
- (c) The service charge may be collected from the member public agencies of a district. As an alternative, a district may impose a service charge as a standby charge against individual parcels within the district. In implementing this alternative, a district may exercise the powers of a county water district under Section 31031 of the Water Code, except that, notwithstanding Section 31031 of the Water Code, a district may (1) raise the standby charge rate above ten dollars (\$10) per year by a majority vote of the board, and (2) after taking into account the factors specified in subdivision (b), fix different standby charge rates for parcels situated within different member public agencies.
- (d) Before imposing or changing any water standby or availability service charge pursuant to this section, a district shall

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give written notice to each member public agency not less than 45 days prior to final adoption of the imposition or change.

- (e) As an alternative to the two methods set forth in subdivision (e), a district, at the option of its board, may convert the charge to a benefit assessment to be levied pursuant to Sections 134.6 to 134.9, inclusive.
- SEC. 66. Section 134.6 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:
- Sec. 134.6. (a) The board may by ordinance or resolution, adopted pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code, determine and propose for adoption an annual water standby or availability assessment on each parcel of real property within the jurisdiction of each member public agency of the district, except that the board shall not impose an assessment upon a federal or state governmental agency or another local agency.
- (b) The board may establish zones or areas of benefit within the district or within its member public agencies and may restrict the imposition of the assessments to areas lying within one or more of the zones or areas of benefit established within the district or within its member public agencies.
- (c) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the district, member public agency, zone, or area of benefit.
- (d) The assessment may be levied against any parcel, improvement, or use of property to which water service, through a member public agency, may be made available, directly or indirectly, whether or not that service is actually used.
- (e) If the procedures set forth in this section as it read at the time a standby charge was established were followed, the district may, by resolution, continue the charge in successive years at the same rate. If new, increased, or extended assessments are proposed, the district shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.
- SEC. 67. Section 134.7 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:
- Sec. 134.7. If the procedures set forth in this section as it read at the time a standby charge was established were followed, the agency may, by resolution, continue the charge in successive

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years at the same rate. If new, increased, or extended assessments
 are proposed, the agency shall comply with the notice, protest,
 and hearing procedures in Section 53753 of the Government
 Code.

5 SEC. 68.

SEC. 33. The Legislature finds and declares that the amendments to Section 65457 of the Government Code made by Section 10 of this act do not constitute a substantive change to that section.

10 SEC. 69.

SEC. 34. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district pursuant to Section—13.6 26 of this act which amends Section 40980 of the Health and Safety Code are the result of a program for which legislative authority was requested by that local agency or school district, within the meaning of Section 17556 of the Government Code and Section 6 of Article XIIIB of the California Constitution.

22 CORRECTIONS:

23 Text — Page 7.